

Message Text

CONFIDENTIAL

PAGE 01 STATE 029600
ORIGIN TRSE-00

INFO OCT-01 SS-04 ISO-00 EB-04 NSC-04 CEA-01 NSCE-00 INR-01
CIAE-00 FRB-03 EUR-03 SSO-00 INRE-00 /021 R

TX-387

DRAFTED BY TREAS: A STOGA/EB/IFD/OMA: T A FORBORD
APPROVED BY EB/IFD/OMA: R J RYAN
TREAS: D SYVRUD
EUR/WE: M DURKEE

-----092241Z 116121 /66

O 092201Z FEB 77
FM SECSTATE WASHDC
TO AMEMBASSY MADRID IMMEDIATE

C O N F I D E N T I A L STATE 029600

LIMDIS/GREENBACK

E.O. 11652: GDS

TAGS: EFIN

SUBJECT: EXCHANGE MARKET DEVELOPMENTS

1. WASHINGTON AGENCIES APPRECIATE EMBASSY'S EFFORTS TO PROVIDE TIMELY ECONOMIC DATA AS WELL AS ONGOING ECONOMIC ANALYSIS. WE ARE MOST CONCERNED ABOUT SHORT AND MEDIUM TERM BALANCE OF PAYMENTS AND POTENTIAL FINANCING DIFFICULTIES. WE WOULD APPRECIATE EMBASSY'S ESTIMATE OF CURRENT ACCOUNT OF BOP OVER NEXT FEW YEARS, AND EVALUATION OF POTENTIAL SOURCES OF FINANCING.

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2. MOST IMMEDIATELY WE ARE INTERESTED IN EMBASSY'S ASSESSMENT OF EXCHANGE MARKET DEVELOPMENTS AS WE ARE RECEIVING GROWING RUMORS FROM FINANCIAL MARKETS OF A POSSIBLE IMMINENT DEVALUATION OF THE PESETA. TO WHAT EXTENT WILL EXCHANGE MARKET PRESSURES, REFLECTING CONTINUED IMBALANCE AND POOR PRICE PERFORMANCE, LEAD TO IMPOSITION OF ADDITIONAL TRADE OR PAYMENTS RESTRICTIONS, OR TO MORE CONVENTIONAL POLICY ALTERNATIVES, INCLUDING DEVALUATION? PLEASE SEND

RESPONSE LIMDIS/GREENBACK.

VANCE

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NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOREIGN EXCHANGE RATES
Control Number: n/a
Copy: SINGLE
Sent Date: 09-Feb-1977 12:00:00 am
Decaption Date: 22 May 2009
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE029600
Document Source: CORE
Document Unique ID: 00
Drafter: A STOGA/EB/IFD/OMA: T A FORBORD
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770046-1149
Format: TEL
From: STATE
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770257/aaaabyhx.tel
Line Count: 64
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 38c718c9-c288-dd11-92da-001cc4696bcc
Office: ORIGIN TRSE
Original Classification: CONFIDENTIAL
Original Handling Restrictions: LIMDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: LIMDIS
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 09-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3361166
Secure: OPEN
Status: NATIVE
Subject: EXCHANGE MARKET DEVELOPMENTS
TAGS: EFIN, SP
To: MADRID
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/38c718c9-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009